

THIRD-PARTY BILLING FOR

Public Health STD Services

An Executive Summary of Coordinated
Needs Assessment Results

2014

Third-Party Billing for Public Health STD Services:

An Executive Summary of Coordinated Needs Assessment Results

STD-Certified 340B Clinics

State/Project Area STD Programs

State Public Health Laboratories

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This report was developed by the Region I STD-related Reproductive Health Training and Technical Assistance Center, managed by JSI Research & Training Institute, Inc. with funding from Centers for Disease Control and Prevention Division of STD Prevention.

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EXECUTIVE SUMMARY

With the passage of the Patient Protection and Affordable Care Act (ACA), the environment in which health care is delivered is changing. Traditional safety net providers that have historically provided free or low-cost health care services through public financing face shifts in funding. Under the provisions of the ACA, the number of uninsured Americans is expected to drop, and future funding is uncertain. Federal and State funding agencies increasingly want to ensure that safety net services are utilized for the un-insured and under-insured. To sustain services, traditional safety net programs, including STD service providers, are diversifying their revenue streams by initiating or expanding billing of both public and private third-party payers.

The STD-related Reproductive Health Training and Technical Assistance Centers (STD RH TTACs) are funded regionally to provide training and technical assistance (TA) to support the implementation of third-party billing and reimbursement systems for clinics and public health laboratories providing publicly-funded STD services. This billing needs assessment is a compilation of ten coordinated regional needs assessments conducted by each of the ten STD RH TTACs. Each region assessed three different target audiences: STD-certified 340B clinics, state or project area STD programs, and state public health laboratories. The purpose of the assessment was to determine the current billing status, barriers to billing, and training and TA needs.

The results of the needs assessment showed that **a quarter of STD-certified 340B clinics (25%) and about a third (38%) of public health laboratories were not billing either Medicaid or private third-party payers.** About a third of STD-certified 340B clinics (30%) were billing Medicaid *only*; less than half of clinics (45%) were billing *both* Medicaid and other third-party payers for STD-related services. In fact, half of HD STD clinics (50%) do not collect fee-for-service payment from clients at all. Public Health Laboratories were less likely to bill than clinics: 38% do not bill any third-party payers, 41% bill Medicaid *only* for STD services, but only 21% of labs currently bill both Medicaid and other third-party payers.

SUMMARY OF COMMON THEMES

Findings from all three needs assessment target audiences had some similarities. The most commonly selected **barriers** to billing from all three assessments included: staffing constraints; confidentiality concerns; having a small percentage of patients that were insured; and to a lesser degree – that funds go into a general fund, and therefore do not support ongoing staffing and infrastructure needs.

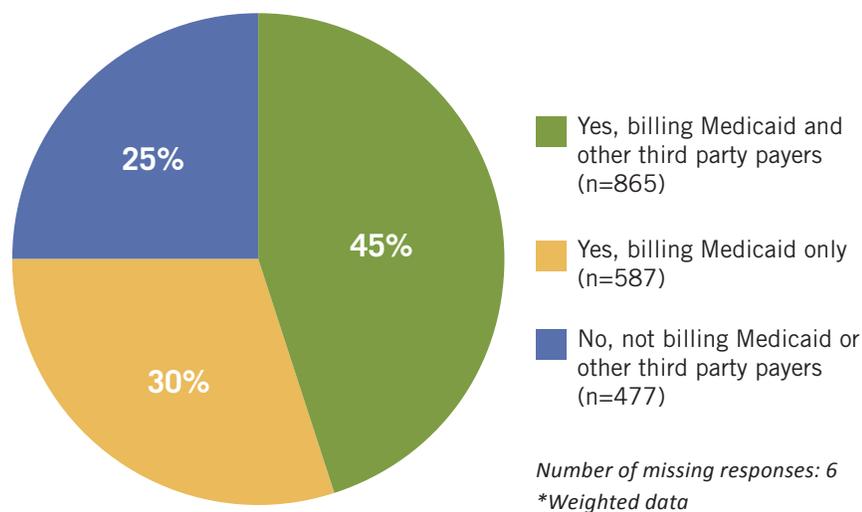
All three of the needs assessment target audiences also indicated they have several of the same top training and technical assistance needs, including: assistance with contracting with third-party payers; development of a state-level coordinated effort for billing; and conducting cost analysis. Both clinics and project area respondents indicated a common need for training and technical assistance for coding, clinic flow, implementation of EHR, and use of claims data reports. Both project area and lab respondents indicated a common need for training and TA on contracting with third-party payers.

State public health laboratories and some clinics indicated that it would be helpful to have a coordinated state effort to assist with billing third-party payers for STD-related services. However, currently only around a third of STD program respondents reported there was already an effort to establish a state-level coordinated effort to bill Medicaid and other third-party payers for STD-related services (37%).

STD-CERTIFIED 340B CLINICS

According to the STD-certified 340B clinic needs assessment, 45% of clinics were billing *both* Medicaid and other third-party payers. **Smaller clinics, Health Department STD clinics, and STD-only service sites were less likely to bill third-party payers** than larger clinics, other site types, and those clinics providing integrated (STD and family planning) services. Health Department STD clinics made up 77% of those clinics *not* billing and small clinics (less than 2000 visits per year) made up 83% of those clinics *not* billing. When asked to rate internal capacity to carry out specific billing functions, Health Department STD clinics and small clinics had statistically less capacity to bill third-party payers than other site types. Overall, there was higher capacity among all clinic types to bill Medicaid than to bill private third-party payers.

FIGURE 1: STD-CERTIFIED 340B CLINICS' BILLING STATUS* (N=1,935) (Q13)



In addition to current billing capacity, this needs assessment explored the potential for building billing capacity by identifying existing internal billing capacity in other programs. The potential for increased coordination or collaboration *within* agencies does seem to exist. Two thirds (60%) of respondents reported that other programs within their clinic or agency billed third-party payers, suggesting that those providing STD services may be able to benefit from the experience with billing that exists in other programs *within* their agency.

Clinics and agencies identified barriers to billing that included prohibitive billing policies, confidentiality concerns, and staff and infrastructure resource constraints. Respondents raised concerns about billing third-party payers for sensitive services and potentially violating client confidentiality. Several respondents expressed concern that some at-risk individuals might not seek care if insurance information was requested. Many pointed to the need for insurance reform for sensitive sexual health services. They suggested that reforms should be made at the state or national level concerning the third-party payers' practice of sending explanation of benefits to the primary person insured. About 20% of respondents indicated that there were substantial organizational policies or legal barriers preventing them from billing, while infrastructure constraints were identified more broadly. Only 50% of needs assessment respondents had an electronic health record (EHR), and 37% of clinics report the lack of an EHR or Practice Management Software (PMS) is a barrier to their ability to begin billing. Health Department STD clinics and small clinics were also less likely than all other site types to report

using an EHR. Because of the relatively **low number of insured patients** seeking services at publicly funded sites and the understanding that it is more expensive to bill per encounter with a lower volume, some clinics have not embraced billing third-party payers because of the anticipation of a low return on their investment. In addition to these barriers, several respondents mentioned that **scope of practice** and billing was a problem, as many clinics are staffed with RN's who can bill only for established patients, and only for a lower reimbursement rates.

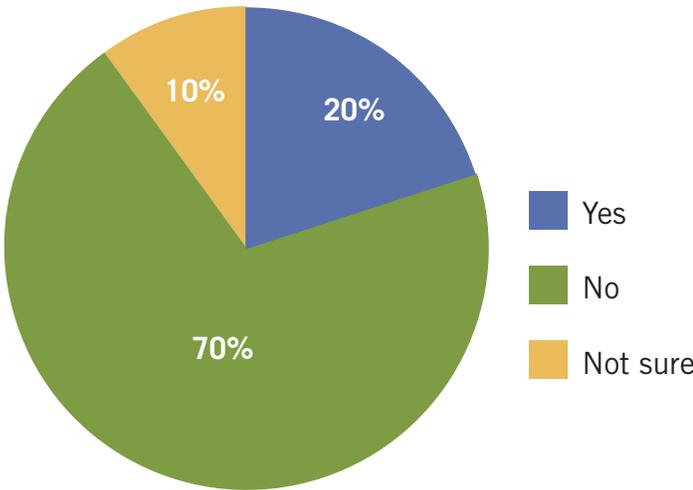
Clinics and agencies reported substantial billing and reimbursement training/TA needs. **There were over 1,000 clinics represented in this needs assessment not currently billing private third-party payers. The top training needs for these clinics were identified as: ICD/CPT coding, cost analysis, and need for confidentiality protocols. Those not yet billing also identified a need for general billing information, or "Billing 101," and assistance finding partnerships to share resources and referrals.** Health Department STD clinics had consistently higher needs across response categories compared to other respondents. One exception is that assistance with ICD/CPT coding was requested by all site types, including 100% of PP/Free-Standing FP clinics.

Overall, the capacity to bill third-party payers varied, but the training/TA needs were consistently high. **Health Department STD clinics, STD services only clinics, and small sites had the least capacity to bill third-party payers and the most significant billing and reimbursement training/TA needs.**

STATE/PROJECT AREA STD PROGRAMS

Although state / project area STD programs are not expected to directly provide or bill for services, they are being asked to provide the technical and programmatic support for clinics and agencies around billing. Almost three-quarters (**70%**) of respondents stated, however, they do not have the capacity to provide the needed services. Project areas reported a wide range of levels of preparedness, but only 38% had conducted an assessment of billing and reimbursement capacity among clinics in their jurisdiction and even less (21%) had developed confidentiality protocols. Another 21% reported that the majority of the clinics in their jurisdiction already bill Medicaid and other third-party payers.

FIGURE 2: STD PROGRAMS CURRENTLY ABLE TO PROVIDE BILLING SUPPORT TO CLINICS (N=53) (Q6)



Number of missing responses: 2

Among state/project area respondents, the identified barriers to billing included: the scope of license issues (clinics staffed by RNs), that the majority of their clients do not have third-party insurance (39%), and the lack of PMS or EHR (37%).

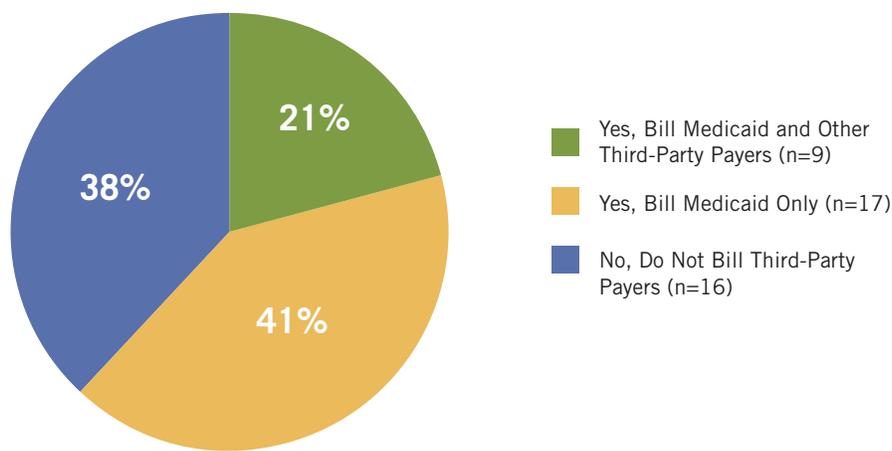
Revenue generation surfaced as a barrier to billing for several reasons, including the fact that in their system the funds will not come back to programs rather they will go to a state’s general fund (28%), and a perception of inadequate revenue to justify billing (25%). Several (74%) of respondents reported that there were other programs in their Health Department that bill, which may represent an opportunity for sharing resources and protocols going forward.

The “top three” training / TA needs identified most commonly by respondents on behalf of 340B clinics in their jurisdiction were: contracting with third-party payers; setting up systems for a comprehensive cost analysis for STD services; and development of state-level coordinated efforts for billing third-party payers. State and project area STD programs reported limited ability to assist clinics in their transition to billing. **Only 20% of project area STD programs indicated they have capacity to assist clinics to initiate billing activities.** Asked to rate their readiness to assist clinics, 70% reported they needed TA in order to assist their funded clinics to bill third-party payers. Contracting with third-party payers and conducting cost analysis were identified by project areas as the most common TA needs for STD-certified 340B clinics in their jurisdiction.

STATE PUBLIC HEALTH LABORATORIES

Of the public health laboratories that participated in the needs assessment, **38% do not bill any third-party payers; 41% bill Medicaid only for STD services, and 21% currently bill both Medicaid and other third-party payers.** The majority of the public health laboratories are concerned about inadequate staffing to initiate billing and to follow-up on unpaid claims. A large number of the respondents (40%) cited confidentiality concerns (e.g. do not want Explanation of Benefits [EOB] to go to primary person insured) while 30% reported they did not know how to set up a contract or that the funds would not come back to their program (i.e. would go back to the general fund).

FIGURE 3: PUBLIC HEALTH LABORATORIES THIRD PARTY BILLING STATUS (N=43) (Q16/17)



Number of missing responses: 1

Nearly 80% of labs reported the need for some type of TA. **Over half of the labs identified contracting with third-party payers as one of their top TA needs, followed by developing a state-level coordinated effort for billing third-party payers.**

CONCLUSION

Across the needs assessments there were a significant number of clinics and public health laboratories not billing third-party payers. Very few state and project area STD programs reported an ability to provide the technical assistance STD-certified 340B clinics in their jurisdiction would need for billing. Across respondent types for the needs assessments there was a wide range across the entire continuum of capacity for billing. The common barriers were identified as concerns about breaching confidentiality through billing, limited staff resources, limited infrastructure resources, organizational policies, and legal barriers.

The results of this assessment indicate that there were widespread unmet billing and reimbursement training and technical assistance needs. Across the respondent types, 74% of STD-certified 340B clinics, 70% of project area STD programs, and 88% of public health labs reported training/TA needs for billing and reimbursement. Overall, there was broad range of unmet need. Each potential training/TA need listed in the assessment was selected by 34-57% of clinics, 45% to 79% of STD programs (on behalf of clinics), and by 18%-71% of public health labs. To meet the extensive and diverse training/TA demands outlined in this report, a diverse group of TA providers will be needed. Coordination at the national level to address cross-cutting national issues like confidentiality concerns and infrastructure constraints should be continued.